



OFFICE OF GOVERNOR MARK DAYTON

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A Growing Economy That Creates Middle-Class Jobs

Minnesotans need a strong economy for good jobs, living wages, and a strong middle class. That is why the Governor and the DFL legislature took bold action this session to create jobs, strengthen our infrastructure, and make our state a more competitive place to do business. The budget enacted this session invests millions in job creation efforts that will leverage billions of dollars in private sector investment in Minnesota's economy, make our state a more competitive place to do business, and get thousands of Minnesotans back to work.

» **Major New Investments in Job Creation.** Highlighted by the Mayo Clinic Destination Medical Center, this budget contains provisions to support growth and expansion for a number of Minnesota companies. State investments in 3M, the Mall of America, and Baxter International will help create tens of thousands of new jobs in Minnesota.

» **New Incentives to Leverage Private Investment.** The budget provides \$30 million in ongoing funding for the Minnesota Investment Fund (MIF). The MIF initiative provides loans to bring new businesses to Minnesota, and helps existing businesses expand. The budget also establishes a Minnesota Job Creation Fund – a performance-based incentive program for businesses. Together these initiatives will create thousands of jobs and leverage \$1.2 billion in private investment.

» **Building Affordable Housing for Minnesota's Workforce.** The budget invests \$10 million in affordable housing to support business expansion in Greater Minnesota communities.

» **Keeping Minnesota Globally Competitive.** The budget invests \$1.5 million to: 1) establish three new trade offices in foreign markets; 2) help small businesses participate in trade activities; and 3) communicate the benefits of doing business in Minnesota.

» **Leading on Broadband Expansion.** Governor Dayton's budget invests in the establishment of an Office of Broadband to ensure that rural and underserved areas have the access to broadband they need to be economically competitive.

» **Cutting Unemployment Insurance Taxes for Minnesota Employers.** The budget cuts UI taxes by \$346.5 million, saving Minnesota employers more money to invest in their businesses and our economy.

» **Leveling the Playing Field for Main Street Businesses.** The budget collects sales tax for online transactions, totaling around \$5 million per year, which will level the playing field for businesses that compete with online retailers.

» **Making it Easier to Do Business in Minnesota.** Right now, when businesses invest in new capital equipment, they pay sales tax and get reimbursed later. More than 1,700 companies received capital equipment sales tax exemptions in 2012, totaling over \$182 million in refunds. Under the Governor's budget, businesses would instead receive an upfront tax exemption on

these purchases, starting in FY2016. This would provide simplicity for businesses and spur additional growth.

» **Helping Greater Minnesota Businesses Recruit Workers.** This budget provides a sales tax exemption for established businesses in Greater Minnesota that add employees and a tax credit for those who hire interns in Greater Minnesota.